

# SILK CITY EXCHANGE, LLC

634 Center Street, Manchester, CT 06040

Re: Opposition of **Raised Bill #5472**

3-15-10

We have been in business for the past 4 years, as a means of earning an honest living by helping the community as law-abiding citizens. In such time we have recognized, and complied with, many changes that have taken place regarding record keeping in the industry, most recently with our purchase of new computer equipment, computer program, license scanner, printers, light box for photography, to name a few, to the tune of several thousand dollars. While we agree with most of the changes, the following are issues we do not.

**Sec. 5. Section 21-42** *"No pawnbroker, precious metals dealer or second-hand dealer shall accept and pay a check, draft or money order issued by him."*

The majority of our customers **do not** have checking accounts; therefore they will be forced to take the checks to a check cashing facility which obviously will charge them to cash it. (We cannot take on the added expense of opening several additional accounts to accommodate the volume of checks we will need to obtain "free" business checking). This is taking away more of our customers' money they don't have, which is why they come to us in the first place. What does this accomplish? We obtain signed documentation from every customer that they have received the money, and are the responsible party. Is another signature on a mandatory cancelled check going to make a difference?

**Sec. 8. Section 21-45** *"...All such property may be sold or disposed of at the [premises] place of business of such pawnbroker or at public sale after advertisement in a daily newspaper published in the town or city in which such pawnbroker carries on the business, at least once two days before the date of the sale or sales, which advertisement shall state the numbers of the pledge tickets representing the property offered for sale, and the date or dates when such tickets were issued."*

We would like to see this section eradicated. In this day and age, who reads the newspapers, particularly the classified section? It is common knowledge newspaper readership has declined with the advent of the internet. It is the customers' responsibility to retrieve their items, and if they have any questions concerning their pick up date, they call us directly, it's about responsibility and accountability.

**Sec. 8. Section 21-45** *"(b) No precious metals dealer or second-hand dealer shall sell or dispose of any personal property acquired in any transaction in the course of business in less than twenty-one days from the date of its receipt. Upon the sale or disposition of such property, such dealer shall, if such property is not sold at retail at the place of business of such dealer, record in the record-keeping system required by section 21-41, as amended by this act, the value received for such property, the name and address of the purchaser and the nature of the transaction."*

We feel a 10 day hold on items, especially gold, is sufficient. It is already impossible to "predict" the market value of gold two weeks out. Holding gold for a longer period will result in a decrease in the amount we give our customers. If items are being held in accordance with the law, and are being sold legally, there should be no reason to divulge the name and address of the purchaser (the nature of the transaction would be "Sale") should an item be sold via an outlet such as eBay. We feel these should be treated as "Cash Sale" transactions. Being an eBay customer myself, I would hope my personal information would be kept confidential with only the seller

In closing, we believe it is the state's goal is to put pawn shop owners and precious metals dealers out of business. Considering Connecticut's current economy, losing a large number of businesses in the past few years, and one that has an overwhelming number of people collecting unemployment, it seems the question the state should be asking is "how can we help you succeed" instead of devising ways to put small business owners out of business.

Respectfully,  
Donald Palmer, Member  
Silk City Exchange